983

CIA-5

## State Dept. declassification & release instructions on file

## GENERAL

1. Possible Soviet tactics at forthcoming CFM meeting -- US Embassy Moscow, in commenting on possible Soviet tactics at the forthcoming meeting of the Council of Foreign Ministers, expresses the belief that a drastic and dramatic shift in Soviet strategy may well develop even though no specific indications have been noted. The Embassy points out that the Kremlin must be strongly attracted at present by the potentialities of an accommodation which would prevent the USSR from being completely excluded from western Germany while awaiting the development of the expected crisis in the capitalist world. In view of this, the Embassy believes that although the Kremlin will probably attempt at first to achieve the aims outlined in the Warsaw Declaration of 1948, the USSR quite possibly may be prepared to accept nearly the same terms recently agreed upon by the western allies. The Embassy considers that primary Soviet aims will be: (a) the location of the central German government in Berlin: (b) an early peace treaty; and (c) either withdrawal of occupation forces or, as a compromise, drastic reduction of those forces and withdrawal to specific border areas.

The Embassy believes that such a Soviet approach would "clearly shake western foreign policies to the very bottom," by confusing western public opinion at a crucial period of western consolidation and by creating practical problems of the first magnitude and of incredible complexity, particularly in connection with current restrictions on East-West trade and with Germany's relation to the political and economic rehabilitation of Western Europe.

(CIA Comment: CIA agrees with Embassy Moscow's analysis of possible Soviet tactics in the CFM.)

